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**FORMER COMPTROLLER OF BALTIMORE TECHNOLOGY FIRM  
PLEADS GUILTY TO INVESTMENT FRAUD**

BALTIMORE, Maryland - Thomas M. DiBiagio, United States Attorney for the District of Maryland, announced that Beverly Baker, age 52, of Catonsville, Maryland, the former comptroller of the now-defunct Network Technologies Group, Inc., pled guilty today before United States District Judge Frederick J. Motz to defrauding a local bank and two investment companies by falsifying the company's financial statements.

NTG, which maintained its offices in south Baltimore, provided services to the technology industry in the region, such as laying fiber optic cable. The company closed in July, 2002.

According to a statement of facts presented to the court, Baker and other company executives engaged in a scheme to defraud Mercantile- Safe Deposit and Trust, the Smith Whiley Company of Connecticut, and the Abell Foundation, a Baltimore nonprofit corporation, by intentionally failing to record all of the company expenses to give the appearance that the company was more profitable than it actually was. In addition, the company's account receivables were falsified by diverting payments, failing to reduce the receivables and by creating fictitious receivables as well. The false financial information skewed the company's financial statement by more than \$2 million, and was

used to solicit investments of \$1.75 million in NTG made by Smith Whiley and the Abell Foundation in the spring of 2002. The false financial information was also used to deceive Mercantile, which provided a line of credit to the company secured by the company's receivables.

The maximum penalty for wire fraud affecting a financial institution to which Baker pled guilty is 30 years imprisonment, a \$1 million fine and restitution. Sentencing has been scheduled for January 27, 2003.

Three other former executives of NTG were also charged in the case and two, Thomas Bray, the former chief financial officer, and Michele Tobin, the former chief executive officer, have previously pled guilty and are awaiting sentencing. Charges against the third executive, Victor Giordani, Jr., the former chief operations officer, were dismissed at the government's request this past October.

The criminal charges are the result of a joint investigation by the Baltimore office of the Federal Bureau of Investigation and the United States Attorney's Office. The case is being prosecuted by Assistant U.S. Attorneys Kathleen O. Gavin and Michael J. Leotta.